

HOUSE No. 995

The Commonwealth of Massachusetts

PRESENTED BY:
Kevin J. Murphy

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General

Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:
An Act calling for accountability of the Commissioner of Insurance by converting the position to
an elected office.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Kevin J. Murphy	18th Middlesex

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 1041 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT CALLING FOR ACCOUNTABILITY OF THE COMMISSIONER OF INSURANCE BY CONVERTING THE POSITION TO AN ELECTED OFFICE.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority
of the same, as follows:*

1 SECTION 1. Chapter 175 of the General Laws is hereby amended by adding after Section 3B the
2 following new sections:—

3 Section 3C. Election of Insurance Commissioner.

4 (a) “Commissioner”, as used in this section, is the commissioner of the division of insurance.

5 (b) The commissioner shall be elected by the people in the same time, place, and manner, and for the
6 same term, as the Governor.

7 (c) The commissioner in office on the effective date of this section shall continue in office for the
8 remainder of the term for which the commissioner was appointed and until a successor is duly elected and
9 qualified.

10 (d) The commissioner of insurance shall be a person having experience with insurance and matters
11 relating thereto; and shall give personal presence and attention to the duties of the office; but in no case
12 shall such commissioner be in the employment of any insurance company or have any official connection
13 with any insurance company or insurance agency, or have any financial interest in any insurance company
14 or insurance agency other than as policyholder.

15 (e) The commissioner may be removed from office for just cause, as provided by the impeachment
16 provisions of the constitution of the commonwealth.

17 (f) A vacancy in the office of commissioner shall be filled by appointment by the Governor.

18 Section 3D. Contributions to Insurance Commissioner.

19 (a) Definitions. As used in this section, the following terms shall have the following meanings:

20 “Bundling” means the process by which campaign contributions are gathered from more than one
21 individual or committees that gather funds and provide them in a coordinated fashion to a candidate, a
22 campaign committee or an entity thereof.

23 "Campaign committee" means the candidate, person, or committee which accepts contributions to
24 bring about the nomination for elections of an individual to the office of insurance commissioner.

25 "Contribution" means a gift, subscription, membership, loan, forgiveness of debt, advance or deposit
26 of money, or anything of value conveyed or transferred for the purpose of influencing the nomination for
27 election or election of an individual to the office of insurance commissioner or encouraging the holder of
28 such office to seek reelection.

29 The term "contribution" shall include the payment of a qualifying fee for and on behalf of a candidate
30 for the office of insurance commissioner and any other payment or purchase made for and on behalf of
31 the holder of the office of insurance commissioner or for or on behalf of a candidate for that office when
32 such payment or purchase is made for the purpose of influencing the nomination for election or election
33 of the candidate and is made pursuant to the request or authority of the holder of such office, the
34 candidate, the campaign committee of the candidate, or any other agent of the holder of such office or
35 candidate. The term "contribution" shall not include the value of personal services performed by persons
36 who serve on a voluntary basis without compensation from any source.

37 "Insurance Commissioner" means the commissioner of the division of insurance.

38 "Political action committee" means any committee, club, association, partnership, corporation, labor
39 union, or other group of persons which receives donations aggregating in excess of one thousand dollars
40 during a calendar year from persons who are members or supporters of the committee and which
41 distributes these funds as contributions to one or more campaign committees of candidates for public
42 office. Such term does not mean a campaign committee.

43 "Regulated entity" means any person who is required by law to be licensed by or subject to the
44 jurisdiction of the insurance commissioner or a board under the jurisdiction of the insurance
45 commissioner, any person who leases property owned by or for a state department, or any person who
46 engages in a business or profession which is regulated by an elected executive officer.

47 (b) No regulated entity and no person or political action committee acting on behalf of a regulated
48 entity shall make a contribution to or on behalf of a person holding office as insurance commissioner
49 regulating such entity or to or on behalf of a candidate for the office of insurance commissioner regulating
50 such entity or to or on behalf of a campaign committee of any such candidate.

51 (c) No person holding office as insurance commissioner and no candidate for the office of insurance
52 commissioner and no campaign committee of a candidate for the office of insurance commissioner shall
53 accept a contribution in violation of subsection (b) of this section.

54 (d) No person who is a present employee, director, consultant, or attorney of, or who is affiliated with,
55 any regulated entity shall participate in the bundling of contributions to a candidate for the office of
56 insurance commissioner. Violation of this section shall be punished by a fine of not less than ten thousand
57 dollars nor more than fifty thousand dollars.

58 (e) It shall be unlawful and a violation of this section for any regulated entity or other person to
59 require another by coercive action to make any contribution to a candidate or the campaign committee of
60 a candidate. Violation of this section shall be punished by a fine of not less than ten thousand dollars nor
61 more than fifty thousand dollars.

62 (f) All candidates for insurance commissioner shall disclose the following information to the secretary
63 of state in computerized form: the contributor's full name, home address, the date of the contribution, and
64 the amount of the contribution.

65 (g) Candidates for insurance commissioner are prohibited from accepting any donation or contribution
66 unless all of the information required in section (2) subsection (f) is provided.